



House of Representatives

General Assembly

File No. 300

February Session, 2002

Substitute House Bill No. 5711

House of Representatives, April 3, 2002

The Committee on Environment reported through REP. STRATTON of the 17th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING GREEN BUILDING STANDARDS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2002*) (a) The Commissioner of
2 Public Works, in consultation with the United States Green Building
3 Council, shall adopt regulations, in accordance with the provisions of
4 chapter 54 of the general statutes, that are consistent with or exceed the
5 Silver Leadership in Energy and Environmental Design's Rating
6 System for New Construction building rating, as established by the
7 United States Green Building Council as of January 1, 2002, and
8 thereafter update such regulations as the commissioner deems
9 necessary.

10 (b) Notwithstanding any provision of the general statutes, any new
11 construction of a facility, for which not less than twenty-five per cent
12 of the costs are financed with state funds, shall comply with the
13 regulations adopted pursuant to subsection (a) of this section. The
14 Secretary of the Office of Policy and Management, in consultation with

15 the Commissioner of Public Works, may exempt any building from the
16 provisions of said subsection provided they both find that the cost of
17 compliance with said subsection significantly outweighs the benefits.

| | |
|--|-----------------|
| This act shall take effect as follows: | |
| Section 1 | October 1, 2002 |

ENV *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

| Fund-Type | Agency Affected | FY 03 | Future FY |
|--|--|-----------------------|-----------------------|
| GF - Cost | Pub. Works, Dept.; Policy & Mgmt., Off. | Minimal | Minimal |
| GF - Debt Service or Bond Funds - Cost | Treasurer, Debt Serv. | Potential Significant | Potential Significant |
| TFBonds or Debt Service - Cost | Treasurer, Debt Serv. | Potential Significant | Potential Significant |
| GF - Savings | Pub. Works, Dept.; Judicial Dept.; UConn; All state agencies that have care and control of their buildings | None | Potential Significant |
| TF - Savings | Transportation, Dept.; Motor Vehicle Dept. | None | Potential Significant |

Note: GF=General Fund; TFBonds=Transportation Fund bonds; TF=Transportation Fund

Municipal Impact:

| Effect | Municipalities | FY 03 | Future FY |
|----------------------|------------------------|-----------------------|-----------------------|
| STATE MANDATE - Cost | Various Municipalities | Potential Significant | Potential Significant |
| Savings | Various Municipalities | None | Potential Significant |

Explanation

State Impact

This bill results in net savings to the state in future years that are potentially significant. Increases in capital construction costs for new buildings would be offset by savings in the operating costs of these buildings over their lifetime. The bill requires the Commissioner of the Department of Public Works (DPW) to adopt regulations by October 1, 2002 that would require all new construction to meet or exceed the standards as established by the United States Green Building Council.

DPW currently has 1 person dedicated to building lifecycle cost benefit analysis. The agency also has the equivalent of 2 ½ positions dedicated to their energy conservation program. DPW estimates that the costs of construction could increase by up to 5%, while the Department of Transportation estimates that the costs for many of their maintenance facilities could increase by 10% or more.

These additional construction costs could be offset by savings in the operations of the new buildings over their lifetime, especially in heating and ventilation costs. These savings are estimated by DPW as up to 30% of annual utility costs.

The bill allows the Office of Policy and Management (OPM), in consultation with DPW to exempt any buildings from these new standards when the cost of compliance significantly outweighs the benefits. Therefore, it is anticipated that these additional construction costs will only be incurred when they are exceed by operational savings over the life of the building.

DPW is anticipated to incur minimal costs from 1) adopting regulations by October 1, 2002 and 2) updating the regulations as necessary. Both DPW and OPM are anticipated to incur minimal costs from their cost/benefit analysis of new construction projects.

Municipal Impact

The bill establishes the same requirements for all new construction of buildings when at least 25% of the costs are provided by state funds. This results in net savings to municipalities in future years that are potentially significant. Increases in capital construction costs for new buildings would be offset by savings in the operating costs of these buildings over their lifetime. It is a State Mandate since it would increase capital construction costs.

OLR Bill Analysis

sHB 5711

AN ACT CONCERNING GREEN BUILDING STANDARDS**SUMMARY:**

This bill requires the public works commissioner, in consultation with the United States Green Building Council (USGBC), to adopt regulations consistent with USGBC's Silver Leadership in Energy and Environmental Design's Rating System (LEED) for new construction building ratings. The commissioner must update the regulations as he deems necessary.

The bill requires that new construction receiving at least 25% of its funding from the state must comply with the green building regulations. But the policy and management secretary, in consultation with the public works commissioner, may exempt any building from this provision provided that they both find that the cost of compliance significantly outweighs the benefits.

EFFECTIVE DATE: October 1, 2002

BACKGROUND***USGBC and LEED***

The USGBC is comprised of more than 1,300 organizations promoting environmentally sound buildings and the adoption of green building practices, technologies, policies, and standards. The council has formed relationships and developed priority programs with federal agencies, including the U.S. DOE, EPA, NIST, and GSA.

The LEED Rating System is a program of the USGBC. It is a voluntary, self-assessing system designed for rating new and existing commercial, institutional, and high-rise residential buildings. Different levels of green building certification are awarded based on the total credits earned.

COMMITTEE ACTION

Environment Committee

Joint Favorable Substitute

Yea 28 Nay 0